

# REAL ESTATE COMPANIES AS AMORAL CORPORATE ACTORS AND THEIR "MODUS OPERANDI" IN BREACH OF CONTRACTS

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## ABSTRACT

It is about characterizing all the advantages that real estate companies have as corporate actors when facing natural people. The increased capacity of action of corporate actors being repeating players, having plans or agendas in the face of the deficits of natural people, using standardized contracts, etc., allow them to take advantage of the rental contracts they make with natural people.

On the other hand, the natural person hopes to be able to take care of himself following the principle of "caveat emptor", "the buyer beware" but in doing so he puts himself at the mercy of corporate actors. Traditional culture does not help because not all the individuals with whom you sign contracts are natural people you can trust according to the criteria of traditional culture. Professionals also teach to trust them, but corporate actors and their private bureaucracies have destroyed all professional values and therefore presupposing professionalism in real estate companies is wrong.

There is a need to explore the feasibility of creating a voluntary accreditation process for real estate, but the State should reserve itself the study of other coercive measures such as the need for a license for private companies to practice public rental service, that at any step can function as the best alternative to a negotiated agreement (Batna) with large real estate companies that buy apartments to rent.

KEY WORDS -corporate actors – natural persons

## Introduction

The imperfections of the State and the imperfections of the market mean that the process of monopolizing the violence that Max Weber talked about is never over, and hence the appearance of groups that act outside the State. Among these groups there are companies that normally have their share in this violence and coercion outside the State. To the extent that they are common or even widespread in different nation states, they may go unnoticed for a long time.

More clearly Robert Boyer (1996:76) questions the rigid dichotomy between state and market so dear to a certain economist tradition: "Generally, each form of market is completed by or embedded within a series of other co-ordinating mechanisms which are based either on obligation (and not only self-interest) and/or vertical co-ordination, alliances, hierarchies, communities, networks, public authorities..."

There are some attempts to end predatory practices by outlaw agents. The legislative process and the judicial apparatus play a role, when their time comes, in these attempts by the State to recover the lost spaces, if that is its purpose, and to the extent that the regulator is not captured by the regulated according to the economic theory of capture (Maudes, 2017), or even, that it is not the state itself that is captured by the large companies (Hellman and Kaufmann, 2001).

Both the capture of regulatory agencies and the state as a whole are probably easier in countries that went through a dictatorship because dictatorships politicize the bureaucracy and given the bureaucracy's resistance to change, politicization can survive a transition to democracy, even more so as was the political transition in Spain, which left the bureaucracy intact except in some aspects

such as the liquidation of the one-party media (Alvarez, 1984).

Even more complicated is the legislative process when the capture of the State takes the form of a "political machine": then the State cannot be expected at all to attempt to monopolize violence or to deal with social welfare in general. As Coleman defines it (1990, pp.126), under the political machine an exchange is given to three bands, for example, donations to the party in government in exchange for favorable legislation, legislation to be made by parliamentarians who were put on the electoral closed-lists in exchange for their blind obedience to the mandates of those who control the political machine, and finally voters who vote what they are told with vague promises of benefits but who are actually manipulated by market populism through which plutocrats pose as ordinary people to be elected to political office (Frank, 2001). Political machines can affect one or more cities or the State as a whole. To the extent that some cases that are aired in the press are simply considered cases of corruption or patronage, the extent of these local political machines is not known.

In the European Union, attempts can be seen to regulate market actors and agents to prevent "bad apples" from discrediting companies in a sector. For example, there is talk of consumer protection. But these are symbolic gestures insofar as resources are not generated so that consumers can have real equal access to civil proceedings. A majority fails to report, because of the psychological costs of expecting an uncertain outcome and the economic costs they have to pay if they lose in a series of lawsuits (Galanter, 1974).

Courts may be overworked and give preference to commercial disputes over civil disputes, for example, or passive in cases that do not seem important to them. On the other hand, considering that each society compiles statistics on what it wants and does not compile statistics on what it does not want (Duncan 1984), there is no rational way to calculate the risks of losing a litigation in countries like England and Spain: one cannot rely on judicial statistics that do not specify who won what lawsuit according to what cases and according to who initiated it, in certain civil disputes, and therefore depend on what the lawyer you can choose and pay, who will have more or less experience and more or less specialization in cases or type of clients (Galanter, 1974.)

The modern state can give more or less freedom to corporate actors (limited companies, etc.) to make contracts under the rules of the civil code, and ignore the details because it does not have the capacity to manage issues "at street level" (Lipsky, 1983). In this way, the drafting of contracts remains in the hands of individuals, and legal claims, for possible breaches, in the hands of potential victims. That freedom given to corporate actors is implemented through legislation, which comes to be what theory to practice, a practice that occurs when certain contracts are disputed in the courts. But there are a number of reasons that limit the scope of the law. The main one is the existence of more powerful actors than others because they have been historically constituted by the legislation itself. I refer to corporate actors who are privileged actors, as fictional persons, from the creation of the so-called East India Company in England to the legal status of the modern corporation or company.

The explanations given by managers, from within, of why organizations are twisted, are insufficient, such as those that can be seen in some articles published in magazines of the sector (Greve, Palmer, & Pozner, 2010). The important thing is to point out that there are corporate persons or actors and natural persons or actors. What differentiates them is their capacity for action: greater in the case of corporate actors than in that of natural persons. The owner of a company, whether or not he runs his company in person, has agents at his service: managers, professionals, employees, workers. These agents serve him to deal with all the people affected or interested in the running of the company: customers, workers, residents of the locality where the company is located, etc., in sum, with the stakeholders.

This difference in ability to act is present when the actor or the company makes a recruitment. For example, a contract of employment is made between a corporate and a natural person. Unless the natural person can build or use an existing corporate actor, typically a union, to deal with the corporate actor that will hire them. Obviously to form this corporate actor, in all cases, some individual freedom has been renounced, let us say that the individual can no longer go "free" but

has to coordinate with the collective capacity for action represented by the collective actor. This happens in the formation of a diversity of corporate actors, both in which employers and workers build. As an example we can put commercial associations, employers, political parties, unions. In the contracts that companies make with natural persons, with clients for example, this different capacity of action is also seen.

Corporate actors have a strong and constant will thanks to their agents who allow them to develop their agenda 24 hours a day. Both corporate actors and natural persons have agendas for action, priorities, objectives, etc., but the ability of corporate actors to plan is superior and so they may command natural persons which lack plans of their own. Corporate actors can use advertising or a third party to market their services, that is, not only internal agents to the company but can also outsource part of the contracting process to customers, let's say a real estate agency that brings clients to a large property owner with more than 100 apartments for rent.

### **Traditional conventional culture and traditional commercial culture do not help to discover the existence of corporate actors: the case of real estate agencies**

Traditional culture has an unsophisticated or unreflexive notion of when and whom to trust. A basic mistake of people who have been educated in traditional culture is to ignore the fundamental difference that exists between two types of actors, natural persons and persons or corporate actors. Natural persons either believe that the two types of actors are equally trustworthy or more likely are not able to distinguish them by confusing corporate actors with natural actors. Coleman (1990:547) exemplifies it when he says that someone who is going to deal with an issue to an administration office wants to personalize the contact by asking for the name of the one who has attended him and he replies that anyone who is at "that window" may attend to you on subsequent days, that is, any authorized agent. Corporate actors have more capacity for action than natural persons because they have agents at their service, among other reasons, and this can lead to unfortunate encounters not only in the psychological sense but also in the sense of a negotiation that could otherwise be better for both sides.

Some corporate actors, especially pariah companies, without any prestige, such as real estate, live on traditional trust, that is, pretend to be natural people, made of flesh and blood, through advertising, for example by resorting to the fashion of corporate social responsibility, advertising their donations, to a foundation, own or not, that develops social purposes, etc., all this as a symbolic policy to humanize the corporate actor who thus tries to make himself forgive his constitutive amorality (Spencer, 2004). Furthermore trust sustains asymmetrical contracts, I mean, contracts of adhesion which are usual in the real estate sector.

Pariah companies can use third parties to build trust, typically intermediaries who manage the meeting with the final corporate actor, let's say agencies and real estate agents put you in touch with the large owner of the homes that are on offer to rent, thus confusing natural persons who tend to believe that a third party is a guarantee of something. Among natural actors a third party might be seen as a source of trust but this is wrong because a known technique of scammers is to look for a third party who speaks well of them, an old couple, a roommate posing as the scammer's brother or sister, etc. (Konnikova, 2006).

Trust as an interpersonal thing among natural persons is historically shifting towards business and the State. It lends itself to the bank, placing a fixed-term deposit there rather than to a relative who does not pay interest, although this was not always the case. In part this process is reinforced to the extent that the corporate actors carry the politics of ancient Rome "divide et impera" generating distrust among natural persons; fostering their narcissistic individualism, their consumerism as a consolation of a mortal existence, etc. All this leads to the transfer of trust from the interpersonal level to the level of the organizations on which individuals depend to consume, work, rent, etc. Nor can natural persons rely on airing their grievances because on the one hand the pariah companies seem immune to issues of reputation and on the other hand because the more accurate the attack on

their reputation the easier the corporate actor use the legal defense of his honor or the Anglo-Saxon tradition of libel that historically did not even pay attention to the possible truth of the denunciation which aired the evil of the corporate actor. In this way the law of silence, self-censorship closes the circle of the defenselessness of the natural person (Vidal, 1997).

Pariah companies consider that all customers are not to be trusted and that they are collectively responsible for the problems of companies. Solutions are not sought on a case-by-case basis, but a policy of war is established against all similar purchasers by holding those who fulfil contracts collectively responsible for what those who fail to do. In the case of real estate, the policy typically is to keep the deposit regardless of whether the tenant has fulfilled the contract, compensating in part for what other tenants fail to pay or simply for greed. This principle of "collective responsibility" is typical of war situations and the politics of terrorist groups.

Corporate actors, when they are pariah companies, tend to keep a low profile, do not have a presence in the media or in social networks, for example, because they do not live on their reputation at all but on their behavior as a consummate predator. For a salesman who does not fear for his reputation because he has none, nor apparently does he need one, the cost of losing a minor lawsuit is not a cause for social concern at all, no one will stop talking to him because no one was talking to him anymore; nor of economic concern given its wealth.

From a cost-benefit perspective, the pariah company understands that it is unlikely that the victim will claim and that in case the judge will rule in favor of the real estate company: the real estate companies count on the fact that most tenants will not go to trial. For example, if 80% of tenants choose not to report, the 20% of cases that do go to trial bring them without care, as well as the percentage of times judges rule in favor of tenants. The risks faced by tenants are almost always greater.

It is sufficient for judges to make decisions with a degree of certainty of 51 per cent, so that there is almost equal probability of ruling in favour of either party, so that the tenant's expected profit from earning minus the expected profit from losing is usually negative given the risk of having to pay the real estate lawyer if it is lost. Another element of uncertainty is that the rules of evidence in the legal field are not the same as in the scientific field (Ho, 2015). The law does not clearly determine who has the "burden of proof" and therefore who has to show the evidence that favors their claim. Nor do tenants know that they have to prevent the worst case scenario by accumulating evidence from entering a flat until they leave.

Your defense attorney can tell you that the case will be decided on your word against his, which is a little discouraging. The real estate company, knowing that tenants have a risk aversion, has as its modus operandi to say that the deposit with which it stays in tort does not cover all the alleged damages created by the tenant and thus reserves to set in motion a civil suit to recover the alleged losses up to the last cent and will be the tenant, in case of losing the lawsuit, the one who pays the costs.

The company also seems to use the tactic of "the foot in the door". A whole sequence of small compromises facilitates the final heist. It comes to be performed as follows, first using the adhesion contract, or a standardized contract, which is a contract in favor of the company with unfair terms (as in a rental agreement a clause authorizing the landlord to enter the rented apartment when they see fit; penalties for terminating the contract before the deadline...) in order to select the most ignorant or unwary customers; the whole sequence of small concessions opens the way for a much more important and economically significant final concession (Cialdini 2009:37), for example, to keep the deposit under the generic pretext of having to paint and clean the house, when the natural wear and tear cannot be charged to the tenant.

The biggest flaw of the tenant is his culture of fending for himself and not asking, believing something incorporated in the old slogan of "caveat emptor", "the buyer beware" that the buyer take care of himself; but this slogan is unsuitable as far as he do not has updated the information: times have changed and nowadays many interactions are between natural persons and persons or corporate actors (joint stock companies, etc.) Outdated information about modern times favors corporate actors because they have more capacity of action (Coleman, 1990:542) and even more

when it comes to pariah companies without any reputation or prestige. While corporate actor demands that they be trusted, they are not willing to honor their contractual commitments if it suits them. There is asymmetric information between these actors. The corporate actor knows the state of the home in terms of whether it is in working condition, what maintenance it requires, etc. It is also a "repeating player" while the tenant is an "occasional player" (Galanter, 1974). Corporate actors, through being "repeat players", gain in asymmetric information because they accumulate it; contrast past plans and agendas with their results; try to eliminate the contractual clauses that gave them judicial problems in the past, etc.

In addition, this asymmetry is robust, in the sense that even if the tenant gets to know the state of the rented housing a few days after using it, any problem that has, in principle, put him in the hands of the real estate agency since it has him as a "hostage" for the costs that the tenant has to wait or go to another dwelling, and for the choice to demand that they be resolved or to promote a lawsuit for breach of contract, when the non-habitability is notorious and manifest. For some time you will expect to suffer yourself while the house is not usable until repairs are made.

The deposit also creates a cost that will influence the willingness of the tenant to continue with the apartment for rent as a sunk cost that it seems wrong to abandon and in this way encourages to continue the contract by throwing good money on bad money and this is a typical error of decision, like that roof that was repaired again and again and at the end had an old roof that had cost more than if before any repair a new roof had been built. This distinction between different types of players is clear if we think of car insurance. Where there was no strict liability in Spain in some cases there was a clear asymmetry, in general, between a driver who has an accident and the insurance lawyer who handles a certain number of cases and who can therefore know what results can be expected from each case and agree on dividing profit and loss sharing fees with other insurance companies without regards of the clients.

Standardized contracts limit the freedom to contract, especially in those cases where basic needs are at stake, typically having a home to live in, either purchase or rental, because mortgage loans are also generally made with unfair terms drawn up by only one of the parties, the bank, which converts them into adhesion contracts. In the society of the masses, standardized contracts that favor the corporate actors have been generalized and therefore the freedom to contract does not really exist (Atiyah, 1979).

Something that also places the tenant in a position of weakness is not knowing the predatory behavior of a particular place, which is as good as saying that it defines the situation badly because it believes that it is the same as another one that he already knew (Blumberg 1989:48). Let us say that he has recently arrived in that local market and does not know the "normal" abusive practices. He's a "distracted" person, and I don't think it's enough to recommend that he focus as Sherlock Holmes would. For example, it is more frequent to find in the exhibitors of some supermarkets fruit in bad condition in some cities than in others and therefore if you come from a city where there is not this particular behavior, or it is less frequent, will be less prepared to buy in that city where it does exist, because it has taken for granted because what he already knows, not knowing that it is not always so. He has trusted and his trust has been mocked by unscrupulous agents.

Certain local markets are filled with "normal" crimes, Acceptable by the "laissez faire" which, given the limits of the law (Galanter 1974), leaves natural people at the foot of horses as if that were the most normal thing in the world. In this way, by design, abuses and lack of consumer protection happen as if they were inevitable accidents.

### **The creation of the corporate actor and the loss of control of natural persons**

Historically, certain actors create a corporate actor for public purposes, the well-known English East Indian company as an archetypal example (Robins, 2012), but eventually lose control of it to the extent that these corporate actors forget about public purposes and devote themselves solely to their private ends using even their corporate power against the interests of the natural persons who

constituted it and in any case against natural persons who will be affected by the activities of these privatised corporate actors. It can be said that by its own constitution the corporate actor harms the natural persons who consented to the creation of the corporate actor for public purposes but that over time, as the English East India Company itself turns its public purposes into private purposes, historical illegality that was consented and thus becomes a model of the privileges and greater capacity of action of future corporations that finally obviating all ends achieve more freedom and impunity in their acts.

### **Professionals as a barrier to the all-embracing power of the corporate actor**

A historical barrier against the corporate actor was professionals as an organised corporate actor in professional associations; universities based on the principles of collegiality, etc. The buyer who has not updated the information regarding the weakening of this historical barrier assumes certain values, especially when dealing with companies believes that there are professional values. He believes, for example, that the company that rents an apartment will give him something in exchange for his money, but in a number of cases this is not the case.

The professional does not make excessive demands and therefore does not leave in the hands of the clients the verification of the condition of the plumbing and that the tap of passage of the water of the flat that rents is in perfect use and that the water flows in the usual amount. The professional delivers the housing in conditions of use as usual. It also does not accept that the client makes excessive demands such as being given the house he rents with welcome party included; it is logical. But the reality is that organizations, companies and their private bureaucracies have been destroying occupations and professions for decades. This happens, in the case of professionals, because these have not known how to manage the excessive demands of the organization and then the pharmacist no longer knows how to make magisterial formulas (the laboratories yes, of course, and some rare avis of the guild), but he does know how to process social security prescriptions, and eventually mark the price of the products he sells one at a time, like a good grocer of a lifetime. Teachers make inventories of skills supposedly demanded by companies that supposedly know how to define a job and their characteristic competences but do not know how to say purely and simply what it is to think.

Where there are excessive demands and these are accepted by employees there is a lack of basic professional attributes. Hence there are no professional servants, no professional housewives, no professional militants, no professional jesuits because the respective organizations, the master, the selfish family, the stalinist party, the jesuit order, make excessive demands on their subordinates and members, and they, by succumbing to these excessive demands, lose any trait of professionalism they might have (Coser, 1974).

The professional, in ideal terms, has as attributes prudence, the ethics of "at least do no harm", the so-called Hippocratic principle that is well understood when you think of doctors as professionals par excellence. Professionals also have the advantage of working under a unique "paradigm" that responds to the professional consensus of where "normal science" is being applied, and they know how to access and use that common "stock" of knowledge, how to make an autonomous judgment based on that stock and not on hierarchical submission to the corporate actor. Non-professionals don't have any common paradigm; there are, for example, many ways to run a business project. They do not follow any professional consensus beyond anticipating the wishes of the chief, like the nazis when they followed the führerprinzip which was to ask what Hitler would do if he were there and thus act accordingly. The professional, in his hierarchy of values, puts the client before the profit (Boudon, 1989:278). Managers, in general, are amoral (Jackall, 1989) and therefore completely lack professional values, by definition, by not fulfilling any of the defining attributes of this.

## **The management prerogatives**

Organizations often end up following a model of dictatorial or tyrannical government that only serves the pursuit of profit independently of all ethics and professionalism: on the one hand they destroy professional autonomy within the organisation and the company is governed authoritatively; the most honest employees are ashamed of the company's predatory behaviour; they are not unaware of this because they see through their hands all the abusive behaviour that these companies have with their clients, as with their own workers. Some are lucky enough to be able to vote with their feet and leave (Hirschman, 1970).

This model of governing the company at the service of the owners alone conceives the prerogatives of management as something derived from ownership, but this is wrong because ownership only gives the right to rule over things, not about the workers or the customers. The right thing to do is to govern the company considering that the workers and the clients are citizens; the workers are citizens of the organization, if you want to define it, and the clients are citizens. Management's prerogatives should therefore have a democratic basis by which workers can agree on how authority is exercised (something they do through trade unions, for example) and on the other hand, managers would have to understand that customers are citizens and, on the other hand, managers would have to understand that clients are citizens over whom they cannot exercise any authority or impose fines on them for lack of deference and submission to the authority of the company, for example, because they are not elected officials of any political entity.

Where the exercise of that authority is not democratically negotiated, subterfuges are used to conceal the despotic exercise of leadership, from the narcissism of managers and their conspicuous or positional assets, the yacht, the work of art in the office of the management, etc., until the corporate dinner and the Christmas baskets for the workers... to pretend they're a big family... and that workers accept authority as children who accept the authority of a parent in part because of the role model it provides. It must be reiterated that property gives right to rule over things and not over people, but in those undemocratic enterprises, the prerogatives of management lead to treating customers, and not just workers, as things, as enemies turned into things, from which to extract the maximum value, without any kind of moral obstacle and therefore the contracts do not follow the spirit of the law or the letter, as happens when the real estate companies keep the deposits without contractual justification and based only on the Sicilian proverb of "Strength shifts on reason". The lie and the trap become something relative and therefore the damage they do becomes a normal crime of a satanic enterprise: the "satanic mills" evoked by the poet William Blake. This should not be the case, because some companies do follow a fully moral model of behaviour (Carroll 1995: 55).

Also is possible to find a supplementary explanation: real estate contracts are relational adhesion contracts because real estate companies expect a deference and a certain behavior according with a particular constitution written by the real estate company as a private government which is not explicit in the adhesion contract, for example, you must accept abused supervision from the real estate manager; use the commons like garage, swimming pool or any other common amenities, following abusive instructions, etc. Anyway these behaviors are not explicit contractual obligations in the usual adhesion contracts (Hoffman, 2018).

## **The Destruction of the Post-War Balance of Labor and Capital**

The modern corporation, by absolutizing the pursuit of profit, benefits from the destruction of the post-war equilibrium, the so-called "glorious thirty" or the golden age of capitalism in which workers and customers and other stakeholders affected by the activity of the company were as important as the beneficiaries of business profit, the shareholders or owners. That happy time when the birth rate in Western countries was above the replacement ratio that demographers speak of (Fukuyama, 1999:44) to set a clear example, because the morale of life because we are alive was



high and the *carpe diem* and consumerist narcissism had not yet burst, because “live and allow to live” was common knowledge.

It was precisely the election of Thatcher and Reagan that marked the rise to political power of the ideology of a market free of all kinds of ethical ties and an era of destruction of all kinds of human values, as business elites are alarmed by the fall in the rate of profit (Useem, 1986). If we look at Sanford Jacoby's study (2004:23) The thirty glorious ones are a parenthesis because the employers at the beginning of the 20th century considered the workers a burden and did not want to have them employed permanently but to decide their continuity or not continuity in the work day by day. In other words, neoliberalism achieves a social regression of 100 years! as can be seen in Spain with these one-day or hourly contracts.

The relationship between senior managers and occupations may be such that managers control them or that occupations control managers. There may also be equilibrium situations. At the time he writes, Trice et al. (1993:188) understands that accountants, engineers, pharmacists and declassified workers have already been controlled by bureaucratic administration while university professors, social workers, doctors in public hospitals and police officers still have occupations that control their bureaucracy.

University professors (only those who have a contract protected against despotic management decisions such as the expulsion of a professor for ideological or similar reasons, ie the "tenured professors") clearly because they are the owners of the public university as the economic theory of property rights makes clear that all property is allocated, but it is also empirical as can be seen at the English University of Oxford where professors function as a professional law firm in which they all collectively own the university and may dismiss the administrator or chief bureaucrat if so suit them.

The professors understand that the productivity of the teacher is not really observable as far as a mental activity is not visually videotaped (Miller, 1993), hence the idea of professional autonomy, vocation, etc., the group of equals, that is collegiality, is built historically, socializing in professional values while they are being trained as professionals, etc., as mechanisms of self-regulation and control.

But when bureaucracies take over the university they usurp the property of professors in general, among other things because the professors who occupy the managerial positions, which are reserved by law to them, establish alliances with each other and with other managers outside the university such as the Social Economic Council, following the university model agreed in Bologna and ultimately begin to promote a Taylorist view of productivity based on the number of eggs laid by hens, no matter whether with salmonellosis or plagiarism-elosis.

The doctors of public hospitals have in their time managers who are themselves doctors and therefore can understand the specific professional values of the profession, but at a certain point economists are introduced as managers of hospitals more interested in the principles of cost-benefit and generate business for the biosanitary industry, thus degrading professionals reducing health to business (Irigoyen, 2011).

More curious is the case of the police because it can only be controlled by militarizing it, which in a democracy is scandalous and unrepresentable because in that way it loses completely its autonomy and the work of managing crime. In other words, police must try crime not to increase, but not to extinguish it insofar as it goes beyond its legal mandate and its resources, which is its main *raison d'être* in democracy. By assuming a certain ambiguous role it can deter criminal conduct with grounded practices beyond theory and at the same time not prosecuting crimes to the extent that their social genesis makes them think that they are not their business and that it is other actors who would have to control the causes. This can only be done from professional autonomy even if it entails a certain "moral superiority" in its decisions (Sainz, 1990).

Trice also understands that lawyers and workers from large companies and skilled workers maintain the balance and mutual accommodation in the 1990s. All this as a reference example. But Trice predicts that by the year 2000, university professors, public hospital doctors, etc., will lose ground to top management and reach a balance. And in one more turn of the screw we would have to say



that in the current decade they will lose even more ground being controlled by administration. The trend has not stopped there because with the so-called "New Public Management" the professors of public universities, doctors of public hospitals, etc., have finally been dominated by the top management, rectors, hospital directors who are not necessarily doctors themselves, of course, etc. Ultraliberalism will have them finally bureaucratized making reality for a professor the nightmare of becoming a pharmacist or a pure creative accountant.

It would be necessary to add, in the field of the urbanism, since we speak of real estate in this work, to other professionals who succumbed to the private bureaucracies, the architects, that by putting themselves at the orders of the owners and entrepreneurs of the construction, they renounced the good taste that was their added value in the face of purely crematistic criteria and that, thanks to their aesthetic values and traditional knowledge of how to build that were part of their professional identity, they had produced the best of each city. In more recent times the existence of technical standards of the construction remained, apparently, compatible with the criteria of safety and aesthetics, but finally, in countries like the USA, scientific evidence from other professionals regarding the technical feasibility of a design weakened the professional status of architects while other more recent professions managed to combine, apparently, professional status and scientific evidence (Choi, 2020).

Professional attributes and professionals had been one of the pillars of a society based on trust and mutual respect. Destroying professional values generates a society in which "the winner takes all", of every man for himself, ultimately a Hobbesian world of struggle of all against all. The social order becomes precarious and the police are charged with the task of containing the disorder, disorder that, having a systemic origin, they will only be able to contain in a precarious way by carrying out punishments in the style of the accused worker as leader of the demonstration that takes him from behind in Chaplin's "Modern Times".

### **The experience of the United Kingdom in regenerating the real estate sector through voluntary accreditation and its possible use in Spain**

When demand is higher than supply, the latter commands supply, and there are not many short-term solutions. This is the reflection of those who study the case of England (Hughes & Lowe, 2007). The same can also be said of Spain while some studies estimate that there is a need for two million new homes (Atlas real estate analytics, undated)

Proposing to real estate agencies a voluntary accreditation process is only of interest when there is low demand and this although real estate are aware of the bad social reputation they have and that accreditation could improve their reputation. If in addition, as in Spain, there is a pure liberal model in housing policy, it becomes even more complicated to seek short-term solutions. I understand that where the majority of the housing is in property, 85%, in Spain (and the remaining fifteen percent distributed in a 2% of free housing, etc.; 11% of housing in rent and a residual part of 2% of social housing,) the model is extremely liberal (Scanlon, 2015).

Property housing, in this liberal model, is a result of the banking-real-estate-industrial complex. Mortgage credit represents a good proportion of bank credit; the construction sector has always generated good business in Spain since the time of reconstruction after the civil war. Proof of this are the Spanish construction multinationals. Property housing was part of the paternalistic policy of the Franco regime or, more simply, of the policy of social control: whoever is paying a mortgage needs the stability of the economic and political system. Private individuals understand that home ownership is a way of building an estate in addition to using, in the meantime, an essential asset.

While there is significant unmet demand according to the estimate of Atlas real estate analytics (Atlas real estate analytics, undated) for some 2 million housing units, the rental housing sector becomes a powerful actor that it is badly regulated if any. And it also probably that it doesn't want to be regulated or agreed upon through an accreditation process because today it easily imposes its way of understanding the business. On the one hand it does not depend at all on reputation because

there are always potential clients not informed of their rights and ignorant of the abusive practices of large real estate companies that live from renting to private, and if it's not one customer who accepts your terms, it's easy to find another. Excluding the myth of self-regulation that no one believes, there is only voluntary regulation through accreditation processes, as has been done in England with uneven results. In fact, it is known that accreditation is not accepted where there is a strong demand (Hughes & Lowe, 2007). Since there is a moral duty to explore solutions to social problems, proof can always be given of summoning the large owners of rented flats and others not so large to persuade them of the advantages of an accreditation process as opposed to the option of forcing them to do so through a licensing process to exercise the activity of rent, something that would not be exempt from controversy if one takes as a model the experience of the licenses in the field of the taxi-drivers.

Accreditation can lead to better clients, that is, in the case of rent to people who will not stop paying the rent, will keep the rented house in good condition, etc., and correlatively to owners who also undertake to deliver the house in conditions of habitability, etc. The registration of accredited companies entails a process of sanctions and eventual expulsion of those companies that do not comply with their obligations. Only honest companies would accept this while ultra-liberals would prefer to continue with the status quo that allows them to deliver homes in poor condition or even keep deposits without contractual reasons and other abuses.

The government, through legislation, could encourage the acceptance of this certification but would also have to have the legal recourse to alter the legal status of a limited or limited company by dissolving it or eliminating all its privileges, the limited liability that companies have by law (Cray, 2002) to apply it in cases of repeated or extreme abuse and in this way would have an alternative to the negotiated agreement in the process of negotiation with real estate companies.

In a complementary way the government could also carry out a systematic policy of promoting new housing by building them to compete with the liberal market and give an example of qualities, prices, and even location if it made an urban reordering policy, but this model does not seem to exist in the Spanish political spectrum. This requires planning over time and short-termism is the ethos of the time. With the planning of new developments built by public initiative, the type and quality of the supply could be corrected to adapt it to demand by generating a supply of housing for access to property and also those new homes could be partly housing with rents assessed for that part of the population which cannot raise enough money to give an income or which leaves a disproportionate part of the salary in rent; On average, more than 30 or 35% of the salary is spent on paying rent according to some estimates.

Other policies such as controlling maximum rental rents require knowing precisely who is offering rental housing and seeing all the possible unintended consequences of this policy. This policy has a great tradition in different countries and times and those experiences teach that this policy has a great inertia, once launched it takes a long time to eliminate it and it is surely for this reason that there is so much resistance to promote it in Spain.

The surveys and "barometers" of the Center for Sociological Research show that the Spanish population is aware of the problems. The respondents show their concern about the price of rents, mortgages, etc., and the government with these surveys worries, that is to say it is preoccupied, but it does not manage to deal effectively with intervening in the quality of rents through accreditations, licenses, public promotion that significantly affects the lack of all types of housing, access to housing for young people who have to continue living with their parents, etc. Obviously, the well-being of young people is primarily a matter of access to a job, and a job with a sufficient salary to allow them access at some point to decent housing.

### **Conclusion**

The interface between civil society and the State is always precarious because the State is at the service of corporate actors since it is argued that, in its day, the corporate actors created wealth and the natural actors benefited from it, but at the same time the State has to justify itself, legitimize itself, in front of the actors or natural persons as citizens of a democratic country. The current way

to solve the problems that arise between corporate actors and natural persons is, first of all, not to measure the magnitude of the problems, thus allowing the passage of time and resignation to solve them. The State creates a dependency on citizens with respect to existential endeavors but does not take sufficient care of citizens who ultimately find it difficult to "vote with their feet" by going to another country where they are best treated; which they already did in their day and which of course they continue to do at their own risk. From the point of view of will, natural persons can demand that the State do something. But the state has few offers to make to the extent that it has been captured by corporate actors.

At a particular level people can follow the ethics of "The Book of the Dead" of ancient Egypt: when you discover that someone is a thief do not make deals with him again. In short try to escape from interaction with corporate actors, especially when they have certain characteristics such as lack of professional attributes. You have to weigh everything that is an indication that you are about to make a contract with someone who is not a professional (has no professional ethics, is more interested in the money of the client than in providing a service, begins distrusting even the authenticity of the signing of the contract, etc.) and therefore not doing the contract. It may be rational to start by trusting, but you have to get information as soon as possible about who you're dealing with and whether he is a professional who follows ethical principles, etc., and never close doors to be able to retire, even at the last moment as the negotiation theory recommends, avoiding giving commissions to intermediary agents, because intermediaries are dragging you down the wrong path, since if you have given a commission to the intermediary you are already coerced to sign a contract that may not agree with you, especially with those sellers, owners, entrepreneurs who do not exhibit professional behavior.

We must be aware of the deficits of the traditional culture and the abusive practices of the corporate culture that are shown in the difference between an entrepreneurial approach based on shareholders above all and an alternative approach based on the whole stakeholders that takes into account all the interested parties and/or affected by the activities of an undertaking, workers, customers, etc.

Another answer to these problems would be the construction of corporate actors as consumer associations, to face on equal terms corporations that behave like real psychopaths. But it should be noted that this figure does not solve the problem since consumer associations are also players who repeat (like arbitrators in arbitration proceedings) and may therefore not address specific cases that may not be economically profitable. This is not the case when they can group cases together, as is the case with so-called "class actions" in the US; certainly more effective than individual lawsuits.

If people do not legally claim when their rights are violated, it may be because they do not know their rights or because they do not trust the lawyers they would have to use to defend them, or even because, even if they know their rights and trust their lawyers, do not trust the ability of the judicial system to recognize their rights. And because all this has associated psychic costs such as the cost of waiting and uncertainty about the outcome. It is known that the slowness of justice is part of the design of the judicial apparatus because it is considered a technical solution to cool possible disputes and even to let time heal everything. That's why courts end up becoming symbols that aren't meant to be used.

In reality the only corporate actor that is equal to the private corporate corporate actors are the political parties and perhaps only to the extent that they come to govern and therefore have at their disposal, relatively, the bureaucracy, etc. These political parties could be expected to take on board the need to discuss the creation of a voluntary accreditation process or a process for the implementation of compulsory licences for renting housing. Other immediate measures would be to remove the deposits because they create a contractual advantage, another that favors the strongest actors, the corporate actors.

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